AIR FORCE MEDICAL LOGISTICS OFFICE

Integrity - Service - Excellence

AIR FORCE WORKING CAPITAL FUND

A Revolving Fund

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Air Force Working Capital Fund Medical Dental Division (AFWCF/MDD)

What is AFWCF/MDD?

- **Defense Working Capital Fund**
  - Consists of Army, Navy, Defense Logistics Agency, Defense Commissary Agency and Air Force
- **Air Force Working Capital Fund (AFWCF)**
  - Cash
  - Orders outstanding
  - Inventory
- **Medical Dental Division (MDD)**
  - A division of the AFWCF
  - Provide medical and dental equipment and supplies
  - Maintain all pre-positioned and in-garrison medical WRM
  - Revolving Fund

A.K.A. MDD Fund$, $tock Fund, and/or 6B Fund$

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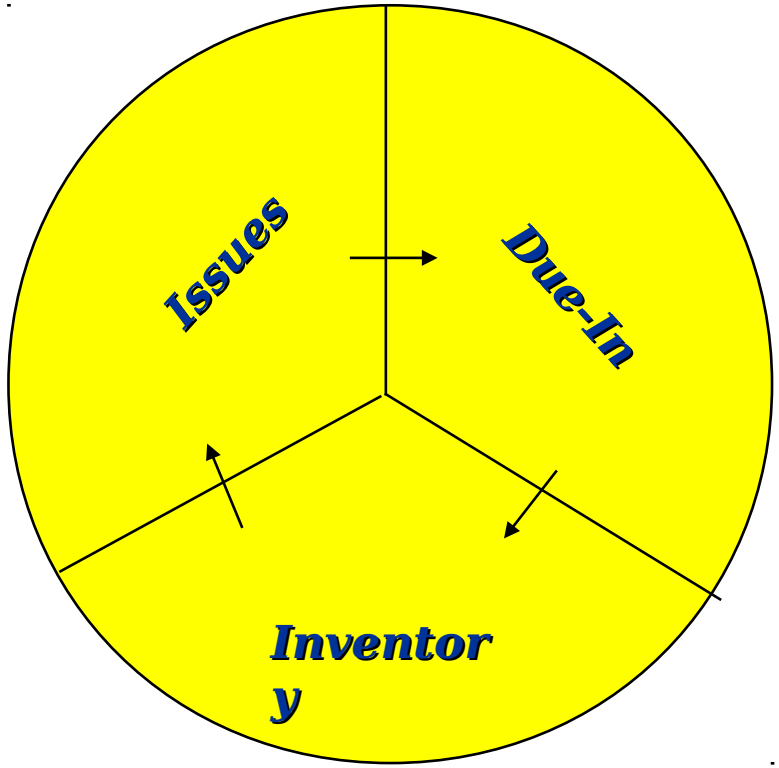
MDD "Revolving Fund"

- Sell to customer
  - Generates cash
- Process due-in
  - Obligates cash
- Receipt becomes inventory
  - Pay out cash
- Sell to customer
  - Generates cash
- Process due-in
  - Obligates cash
- Etc., Etc., Etc.



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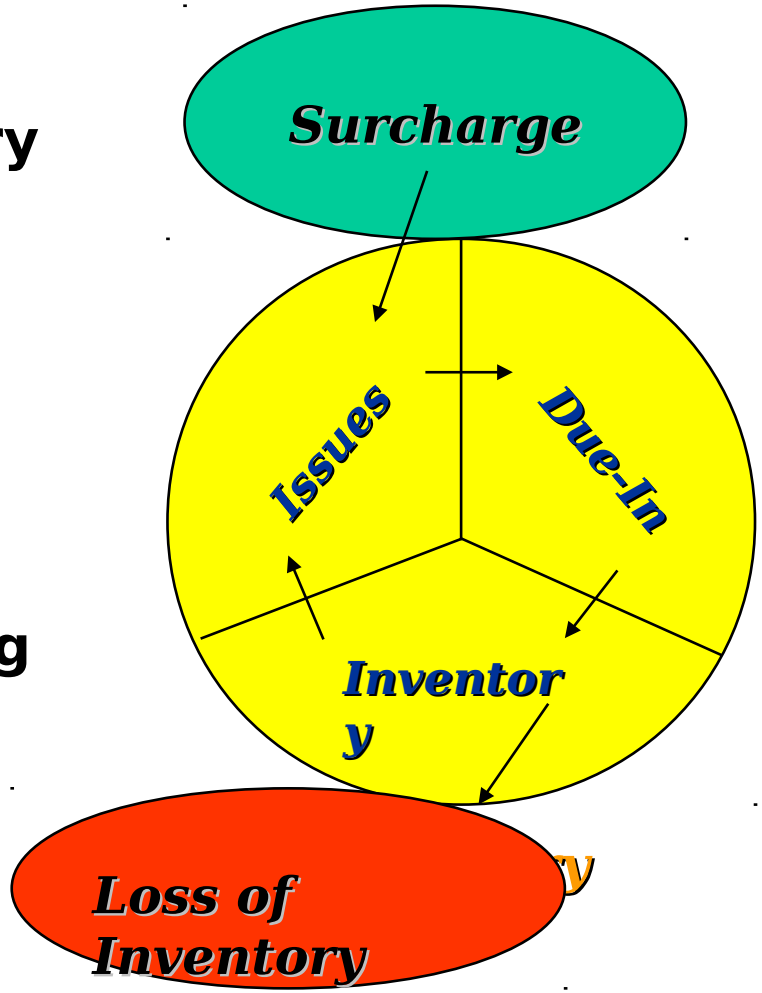
WCF "Revolving Fund"

- **There are holes in the process**
  - **Loss of operating inventory without reimbursement**
    - Destructions
    - Free issues
    - Inventory losses
    - Breakage
    - Theft
  - **DFAS Charge for bill paying**
  - **Transportation expenses**
  - **Investment in inventory**
- **Surcharge patches up the holes**



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Advantages

- **Peacetime**
  - **Orders are obligated at time of acceptance by AFWCF**
  - **Customer does not incur expense until requirement arises**
  - **No fiscal year cash limitations; limitation is on obligation authority**

    Receipts vs. Sales (issues)

    For every dollar of sales, we can buy a dollar's worth of materiel (one for one basis)

    The MDD has a "cap" in Obligations (FY04 $930M)

    Must have approval from Secretary of Air Force (SAF) or Office of the Secretary of Defense (OSD) to exceed
    - AFWCF receives additional authority for WRM purchases

- **WRM (Only Medical Dental Division keeps their WRM in the WCF)**
  - **AF customer does not incur expense until requirement arises**
    - **Expense then normally incurred by line of the AF**
  - **AFWCF reimbursed as result of sale – allows reorder of WRM immediately**

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Disadvantages

- **Cash levels are critical. When cash is gone additional orders cannot be placed until cash is replaced. In the past this has often been solved by billing weekly or bi-weekly versus monthly.**
- **Obligation authority is the controlling factor. Obligation authority can be moved between AFWCF divisions as long as the ceiling isn't surpassed.**
- **Last minute additions to customers cash can result in accepting customer orders but being unable to buy materiel until additional obligation authority is obtained.**

Need-to-Know Information

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- **Violations of Public Law…**
  - **Anti-deficiency act**
    - "Pay as you go" using correct appropriation in the correct year
      - Do NOT over obligate – spending $ you don't have
  - **Bona-fide need rule**
    - Obligating only what was needed in the FY of the appropriation
  - **Augmentation Concept**
    - Not supplementing appropriations from other sources

➢ ***Stop! Police!***

Need-to-Know Information

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TRANSPORTATION FUNDING:

- **AFI 24-201, Transportation Cargo Movement**
  - **Transportation Account Code (TAC) or Operation and Maintenance (O&M) appropriation required to ship assets**
- **TAC F7MD**
  - **Used to move AFWCF peacetime materiel between FM accounts**
    - *Must have written or 'implied' approval (excess shipments)*
- **TAC F7WR**
  - **Used to move AFWCF WRM materiel between FM accounts or deployment**
    - *Must have written approval from AFMSA/SGSLS*
    - **Add assigned ESP code if used for on-going operation**

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Reports

- **Trial Balance**
- **Base Medical Supply Office/Base Accounting Finance Office (BMSO/BAFO) Reconciliation Report**
- **Balance List by Account Requirement Code (ARC) and Stratification (Strat) Report**
- **Medical Materiel Management Report (MMMR)**

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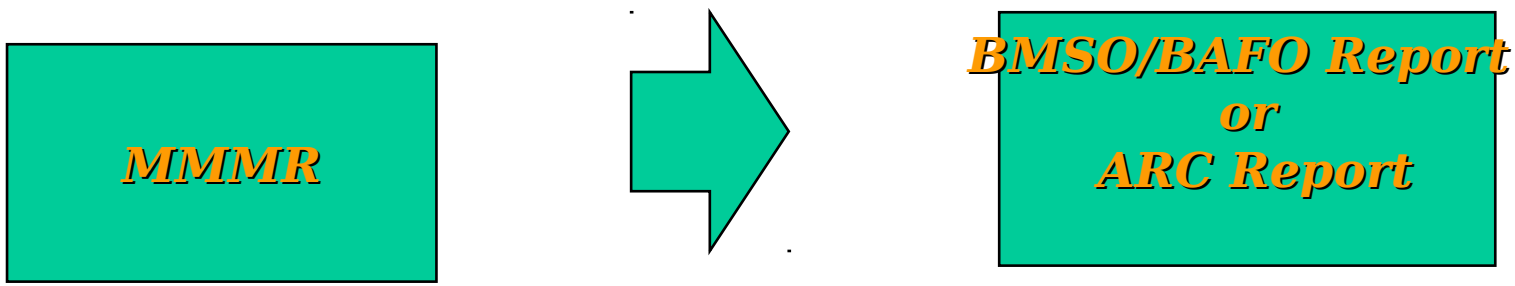
Trial Balance

- **Medical Logistics transactions are passed to finance daily**
  - **Transactions enter into funds control system**
  - **Updates Integrated Accounts Payable System (IAPS) and Standard Materiel Accounting System (SMAS)**
- **SMAS produces the Trial Balance and Medical Materiel Management Report (MMMR)**
  - **Trial Balance is produced monthly via finance**
  - **Reports status of Medical Dental Division (MDD) Stock Fund, that includes each SRA business, upwards to SAF and OSD**
  - **Post MDD transactions to MMMR**
    - MMMR is reconciled to Base Medical Supply Office/Base Accounting Finance Office (BMSO/BAFO) Reconciliation Report **or** Balance List by Account Requirement Code (ARC) and Stratification (Strat) Report

MMMR - BMSO/BAFO or ARC RECONCILIATION

Why a Reconciliation?

- A reconciliation is required to ensure the financial records were properly updated to reflect the transactions processed in MEDLOG or DMLSS
  - Checking for any out-of-balance conditions



BMSO/BAFO and ARC Reports

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- Ending dollar values computed from MDD accounts balance records by multiplying the on-hand balance times the unit cost for each item
  - True and accurate value of the inventory
  - BMSO/BAFO produced monthly via MEDLOG (Y04)
  - ARC produced monthly via DMLSS (D01)
- Primary tools for reconciling the official financial records (Trial Balance via MMMR)
- Allows the manager to determine total value of inventory and due-ins/due-outs
- Makes visible whether prime vendor summary transactions are promptly processed

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BMSO/BAFO Financial Reconciliation
What Does It Show?

- Page 1 shows values as computed within MEDLOG
- Page 2 shows Prime Vendor actions where summary transactions have not been processed and sent to finance
- Page 3 shows dollars values that can be reconciled to finance (MMMR)

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BALANCE LIST BY ARC AND STRAT

What Does It Show?

- Shows total values as computed within DMLSS
- Line 15 shows Prime Vendor actions where summary transactions have not been processed and sent to finance
- Line 11 shows dollar values that can be reconciled to finance (MMMR)

BMSO/BAFO and ARC Report

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Summary

- Tools for reconciling the official financial records (Trial balance and MMMR)
- Allows the manager to determine total value of inventory and due-ins/due-outs
- Makes visible whether prime vendor summary transactions are promptly processed

FTP, Fax, or Email a copy ASAP after processing End-of-Month to AFMSA/SGSLS and Finance (OPLOC)

Send only Page 3 of BMSO/BAFO to AFMSA/SGSLS (MEDLOG)

Send only Fiscal Year-ARC 1 and ARC 2 to DFAS (DMLSS)

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Medical Materiel Management Report MMMR

What is it? What does it show?

- A financial value of fiscal year opening inventory, year-to-date increases and decreases, ending inventory, due-ins, materiel in-transit, and due-outs
- Used to evaluate the financial posture of all inventories
  - It represents inventory based upon DMLSS or MEDLOG transactions passed
  - Produced monthly in the Standard Materiel Accounting System (SMAS)
- Serves as a reference in preparation of financial plans and budget calls

LN NR	LINE IDENTIFIER	OPERATING BALANCE	EXCESS BALANCE	SPEC PROJ BALANCE	SUSPENDED BALANCE	REPARABLE BALANCE	WRM BALANCE	WRM SUSP BALANCE	WRM REP BALANCE	TOTAL BALANCE
1	BEGINNING INV	339524.00	1080.00	0.00	1788.00	0.00	353197.00	1787.00	0.00	697376.00
2	RECEIPTS									
2A	REIMB-DPSC	634900.00	0.00	0.00	0.00	0.00	-107.00	0.00	0.00	634793.00
2B	REIMB-LOC-PUR	1515631.00	0.00	0.00	0.00	0.00	28.00	0.00	0.00	1515659.00
2C	REIMB-ALL OTH	2521.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2521.00
3	RCPTS-NONREIMB	1028.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1028.00
4	ISSUES									
4A	REIMBURSABLE	-2520077.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-2520077.00
4B	NONREIMB	-1028.00	-9198.00	0.00	0.00	0.00	0.00	0.00	0.00	-10226.00
4C	REFUNDABLE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	PRICE CHANGES									
5A	INCREASE	12822.00	128.00	0.00	115.00	0.00	106999.00	307.00	0.00	120371.00
5B	DECREASE	-19612.00	-88.00	0.00	-110.00	0.00	-104354.00	-301.00	0.00	-124465.00
6	PHYSICAL INV									
6A	OVERAGES	3008.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3008.00
6B	SHORTAGES	-2401.00	0.00	0.00	-18.00	0.00	-2031.00	0.00	0.00	-4450.00
7	DISCREP SHIPMT									
7A	OVERAGES	22271.00	0.00	0.00	0.00	0.00	1757.00	0.00	0.00	24028.00
7B	SHORTAGES	-1049.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1049.00
8	GAINS									
8A	IN SHIPMENTS	0.00	9369.00	0.00	0.00	0.00	0.00	0.00	0.00	9369.00
8B	TRN-IN CREDIT	267.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	267.00
8C	TRN-IN NO CDT	156.00	1071.00	0.00	0.00	0.00	0.00	0.00	0.00	1227.00
8D	DRUG REPLACE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8E	RTN FROM R&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8F	INV TRANSFER	4229.00	4437.00	0.00	0.00	0.00	0.00	0.00	0.00	8666.00
8G	COND CHANGES	20.00	0.00	0.00	4.00	0.00	1315.00	22060.00	0.00	23399.00
8H	CAPITALIZED	12200.00	0.00	0.00	0.00	0.00	1373.00	211.00	0.00	13784.00
8I	ASSEMBLY ACT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8J	ALL OTHERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	LOSSES									
9A	OUT SHIPMENTS	0.00	-1675.00	0.00	0.00	0.00	0.00	0.00	0.00	-1675.00
9B	RTNS TO SORCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9C	DEST-PEND CDT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9D	DEST-HI AUTH	0.00	0.00	0.00	0.00	0.00	0.00	-20687.00	0.00	-20687.00
9E	DEST-DETERIAT	-6530.00	-53.00	0.00	-4.00	0.00	0.00	-31.00	0.00	-6618.00
9F	TRN-IN TO R&M	0.00	-65.00	0.00	0.00	0.00	0.00	0.00	0.00	-65.00
9G	INV-TRANSFER	-4437.00	-4229.00	0.00	0.00	0.00	0.00	0.00	0.00	-8666.00
9H	COND CHANGES	-4.00	0.00	0.00	-20.00	0.00	-22060.00	-1315.00	0.00	-23399.00
9I	DECAPITALIZED	-13265.00	0.00	0.00	0.00	0.00	-1373.00	-211.00	0.00	-14849.00
9J	DISASSEMB ACT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9K	ALL OTHERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	A&F BOOK ADJ	138.00	-66.00	0.00	0.00	0.00	0.00	0.00	0.00	72.00
11	END INVENTORY	-19688.00	711.00	0.00	1755.00	0.00	334744.00	1820.00	0.00	319342.00
12	DUE-INS	10702811.41	14265.00	0.00			109.80			
13	INTRANSIT	6630.32	0.00	0.00			0.00			
14	DUE-OUTS	517451.41	14265.00							

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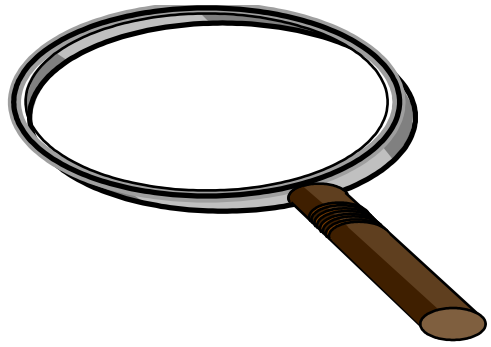
What To Look For

- Inventory has increased especially over the last few months
- Sales that have dramatically increased or decreased
- Excessive amount of inventory adjustments
- Excess increasing



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More to Look For

- Suspended balance is increasing
- Inventory in special projects
- Significant increased or decreased in price changes
- Operating Equipment on-hand
- Have required corrective actions been taken on items identified previously

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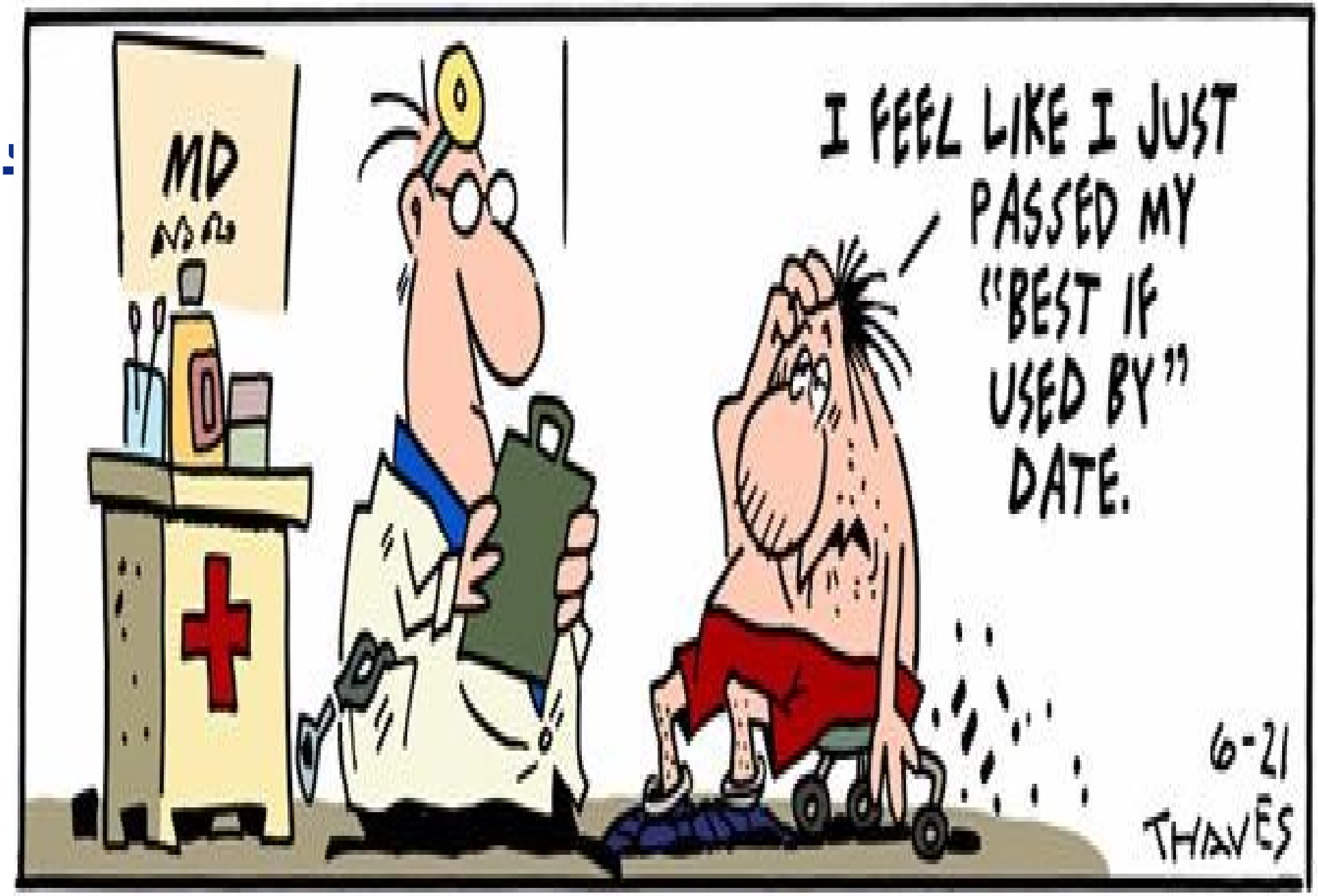
Footnoting What You Find

- Let us know what you find
- Include:
  - FM account number
  - Expendability code
  - Column
  - Line number
  - Explanation of the error or circumstance
  - What caused the error or circumstance
  - What is being done to correct it



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AIR FORCE MEDICAL LOGISTICS

LEADING FOCUSED, FULL SPECTRUM, INTEGRATED LOGISTICS - WORLDWIDE

Puzzle Eleven

- About AFMSA/SGSL
- Bluebook
- AFMLL
- Discussion Forums
- Frequently Asked Questions (FAQs)
- Feedback
- Customer Survey
- ECAT FY04 Survey
- VASS FY04 EOFY Cutoff Dates
- Links
- PB Tab Provider Insert
- AFI 41-209
- MEDLOGSPT.ARMY.MIL
- Edit My Profile
- How to Update My Profile

DLA Logistics Exchange

2003 Medical Logistics Awards Program

48TH MEDICAL LOGISTICS SYMPOSIUM

The AF Medical Logistics Operations Center (AFMLOC)

Policy

AFI 41-209, Getting Started in Medical Logistics, Business Plan, Policy Letters,...

Medical Readiness

Assembly Management, Anthrax Vaccine Program, Central Procurement, Expeditionary Medical Logistics...

Clinical Engineering

Facility Management, Clinical Equipment, Clinical Technology Assessment and Review, Medical Technology Integration and Support...

Business Analysis

Production Plan, Requisition Priorities and Force Activity Designators, War Reserve Materiel Spend Plan

Procurement Services (VA Operating Activities)

- **Acquisition Management** (PV, ECAT, DBPAs, Central Buys, DNA Kits, PMI, GPC , Depot Stocked)
- **Stock Management** (SLEP, Excess/TRIMEDS, Quality Assurance, Vaccine Programs(Anthrax Vaccine, Flu Vaccine), Supply Descrepancy Report)
- **Cargo Management** (Transportation Regulations/Guidance, Transportation Forms, Military Air Clearance, Consolidation and Containerization Point, Carriers, DLA DSS MRO Tracking System, Medical Air Bridge(MAB), Frequently Asked Questions)
- **Contracting** (Performance Work Statements, QA Surveillance Plans, COR Training, QAE Desk Reference, Criminal Background Checks, T-Nex, In Garrison WRM Contract)

Veteran's Affairs Special Services Contracting

Contracting for Medical Equipment, WRM, Systems, Supplies, Services, and Facilities ...

Business Analysis Branch (FOS) - Microsoft Internet Explorer
File Edit View Favorites Tools Help
Back Search Favorites History
Address https://afml.ft-detrick.af.mil/afmlo/BusinessAnalysis.cfm
Go Links
Search:

About AF Medical Logistics
Bluebook
AFMLL
Discussion Forums
Frequently Asked Questions (FAQs)
Feedback
Customer Survey
Links
MEDLOGSPT.ARMY.MIL
Edit My Profile
DLA Logistics Exchange

Business Analysis Branch

- Production Plan
- Requisition Priorities and Force Activity Designators
- FY03 Spend Conference
- EOM Reports
- End of Year Information
- MDD Trans Fund Cite
- Tracking of Potential Excess Materiel in WRM
- Government Purchase Card Receipt Corrections

https://afml.ft-detrick.af.mil/afmlo/product/cfm/dtl.cfm?type=Monthly Reports
Internet

EOM Reports Products - Microsoft Internet Explorer
File Edit View Favorites Tools Help
Back Search Favorites History
Address https://afml.ft-detrick.af.mil/afmlo/va/contract/VA_dtl.cfm?Type=Monthly%20Reports&CFID=1657&CFTOKEN=51425344
Go Links
Search:

EOM Reports

AFMLO/FOS End of Month (EOM) Reports page is set up to assist FM account with their monthly reports from AFMLO/FOS, DMLSS, MEDLOG, and Finance. These report are used as management tools for each account to evaluate and measure how their account is doing business.

NEW Indicates posted within last 10 days

Title	Synopsis
End of Month Reports	AFMLO/FOS has provided helpful information and operational instructions of various end-of-month products. These selected products are produced via AFMLO (Mainframe System), DMLSS, Finance (Standard Materiel Accounting System) and MEDLOG. These reports are useful products that enable stock record account mangers to examine possible trends, retain for historical purpose, and/or track various metrics at their account. Most of the reports are also used to ensure proper management of the Medical Dental Division of the Air Force Working Capital Fund.
Reconciling with Finance in a DMLSS Environment	Summary of how to use the Balance List by Account Requirement Code (ARC) and Strat for reconciling with finance at End of Month.

To receive notification of new articles when they are posted to this page, register on our list server for topic: EOM Reports

Send mail to cemd_invit@ft-detrick.af.mil with questions or comments about this web site

https://afml.ft-detrick.af.mil/AFMLO/PRODUCT/LIB/MONTHLY_REPORTS/END_OF_MONTH_REPORTS_PRODUCT_AND_INFO.XLS
Internet

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QUESTIONS

Need help in reconciling or other questions? If the answer is YES, please contact us.

AFMSA/SGSLS

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